



Corona del Mar Business Improvement District

FISCAL YEAR 2013-2014 ANNUAL REPORT

As Modified and Approved by the City Council on May 27, 2014

This is the annual report for the eighteenth year of the Corona del Mar Business Improvement District, as required by Section 36533 of the California Streets and Highways Code.

1. Proposed Changes to the District Boundary

There are no changes proposed to the district boundaries

2. Improvement and Activities for the Fiscal Year of July 1, 2014 to June 30, 2015

VISION 2020 - REVITALIZATION IMPROVEMENTS & MAINTENANCE

The following are revitalization project improvements and maintenance programs planned for Corona del Mar's Business District (BID) for the fiscal year 2014-2015. These expenditures are consistent with the BID's Vision 2020 plan:

2.1 Gateway Improvement (MacArthur & PCH) Project

The Business Improvement District will be working with the City of Newport Beach (City) on continued improvements to the gateway entrance at MacArthur & PCH with a modified plan to widen the sidewalk, add dramatic landscape improvements and relocate eight parking spaces. For FY 2014-15, the City Council has approved at a study session a recommendation of \$350,000 to be included in the City budget and the BID has budgeted \$25,000 to be applied toward this project.

2.2 Marguerite Beautification Project

The Board seeks to develop various improvements in landscaping, streetscape, and other items to continue creating a sense of identity for the Village at the intersection of Marguerite and Coast Highway. The BID plans to pay 100% of the Phase 1 costs for this beautification project in FY 2014-15 and has budgeted \$60,625 toward this goal. Phase 1 will include the imprinting of 5' diameter flower shaped medallions on the four sidewalk corners at the intersections of Marguerite/PCH and fifteen other flower named streets. Additional irrigated potted plantings are also included in this phase.

2.3 Tree Wells Maintenance

The BID will continue to provide maintenance through a landscape agreement to assure the proper care and cultivation of 180 tree well areas.

2.4 Landscaping Maintenance

The BID will continue to provide oversight of overall landscaping in the village working closely with the City. The BID will also pay for the upkeep and repair of the irrigation backflow valves that water the street trees.

2.5 Street Furniture Maintenance

The BID will continue to maintain and refurbish existing street furniture including trash receptacles, benches and bus stops to ensure quality aesthetics. In addition, the BID will be working with the City on proposed changes to the municipal code evaluating the condition and placement of Newspaper stands

VISION 2020 – MARKETING & MEMBER BENEFITS

2.6 Website & Communications

The BID has been working with an antiquated website platform for many years and has begun efforts in FY 2013-14 to rebuild its website. During FY 2014-15, the BID will continue working with the City and a selected website designer/developer to build a state of the art website to enhance the online branding of the District, increase exposure to the BID projects and accomplishments, and improve electronic member communications. The BID shall coordinate changes to content, transfer of maintenance and hosting and related tasks with developers for a successful and useful web presents.

2.7 Marketing Media Campaigns

The BID will manage a Shop Local Ad Campaign for Corona del Mar's Business District. The campaign will highlight seasonal shopping and unique offerings of the Village shops and businesses.

The BID will maintain the existing Social Media Platform and develop methods to improve electronic communications with its members. The Social Media tools allow further promotions of shopping local campaigns and utilizing local merchants within the District. Social media sites will include Facebook, Instagram, Pinterest and Twitter.

The BID will maintain the existing BID marketing programs and develop new strategic campaigns to promote economic growth within the District as it does each year. The BID will continue media relations with local press and community associations and maintain or develop new BID marketing collateral.

2.8 Corona del Mar BID Directory & BID Brochure

The BID shall continue to produce and publish the annual business membership promotional publication called the Corona del Mar Business Directory (Directory). The Directory shall list and market the Corona del Mar BID Members in a colorful print publication campaign for shopping local and mailed to 12,000 households in Corona del Mar and surrounding areas.

The BID will also update its annual Vision 2020 brochures listing the BID recent accomplishments and future goals. This brochure will be distributed with the annual member assessment mailings in July.

2.9 Christmas Walk

The BID will contribute funds to the CdM Chamber to sponsor the annual Christmas Walk, which successfully stimulates the economic climate of the District and provides a promotional platform for all businesses within the District boundaries and beyond.

2.10 Pacific Coast Hwy Dolphin Topiary Program

The BID will continue to fund, coordinate and store the festive seasonal decorations of the Dolphin Topiaries at the intersection of Marguerite and Coast Highway. The BID continues to receive countless online communications from the local community on the value of this traditional program.

2.11 Street Light Banner Program

The BID will continue to fund and coordinate the rotating Light Pole Banner Program to highlight the annual CDM Signature Community events (Scenic 5K, Coastline Classic Car Show, Christmas Walk) as well as the Happy Holidays Banners. The BID will continue to work with vendor and city on permits, schedules and installation/breakdown. The Light Pole Banner Program continues to offer the Business District a sense of community spirit and promotion.

2.12 Business District Holiday Décor Program

The BID will continue fund and coordinate installation and maintenance of the annual Holiday Decorations within the Business District. The BID will work with the contract vendor and the City on annual permits, lighting maintenance, & installation/breakdown as in past years.

2.13 Marketing Consulting & Reporting

The BID will contract with a marketing consultant to formulate, coordinate and administer the marketing efforts of the BID and report to the Board routinely on the results of the marketing activities.

VISION 2020 – OUTREACH

2.14 Annual Town Meeting

The BID will continue to hold and produce the Annual Town Meeting for Corona del Mar and coordinate a “State of the Business District Address” to its members and residents alike. The meeting serves as an outreach platform and community gathering for the District. The Annual Meeting is required by the BID bylaws.

2.15 Business Beautification Award Program

The BID will continue to pay for and manage the successful bi-monthly Business Beautification Award Program by identifying business locations within the District who have renovated, remodeled or enhanced the aesthetics of their storefronts contributing to the overall Vision 2020 Plan. Recipients of the award receive media attention and an award at a community event.

2.16 Outreach Materials & Mailings

The BID shall continue to communicate with the community through exhibiting at various monthly and annual events. Programs, collateral and BID announcement will be available, displayed and communicated through the CDM Chamber of Commerce, Residents Association and at other community events. The BID will continue to mail members who have paid their membership assessments a membership decal signifying they are in good standing with the BID.

VISION 2020 – ADMINISTRATION

2.17 Administrative Services

The BID Board shall assume more administrative responsibility including developing its own meeting agendas, taking the meeting minutes and preparing other memos and/or brief reports (such as the annual report and budget). A post-meeting list of requests and follow-up items should be relayed via email from a Board representative to the City Manager's Office for action.

2.18 Accounting Services

The City shall provide part-time staff support, solely responsible for handling the bookkeeping services for the BID. The employee would coordinate the assessment billing and collection efforts, accounts receivable and payable, prepare the monthly financial reports, and assist with posting meeting agendas and minutes.

2.19 Administrative Expenses

The BID shall continue to operate & conduct general business through a designated representative who shall provide for a physical mailing address, telephone answering service, office equipment, meeting space and storage of BID collateral

2020 Vision Plan Revisions

The Board continues to reevaluate and revise the 2020 Vision Plan. Subcommittee meetings to develop new objectives will continue to be held. Efforts will continue to inform business and residential communities of the findings of the board

3. Estimated Cost of Improvements & Activities for FY 2014-15

Improvements	\$ 85,625
Maintenance	23,500
Marketing	72,900
Outreach	6,075
Administration	4,700
Total	\$192,800

4. Method and Basis of Levying the Assessment Shall Continue as Follows:

The benefit assessments will be collected by the City in one installment. The benefit assessment shall be equal to one hundred fifty percent (150%) of the City's annual business license fee as established pursuant to Chapter 5.08 of the Municipal Code. The penalty for delinquent payments shall be equal to that established for delinquent business license fees pursuant to Chapter 5.08 of the Municipal Code, providing that the penalty amount added shall in no event exceed one hundred percent (100%) of the assessment amount due. Individuals with more than one business entity within the assessment boundaries shall only be required to pay the District assessment for the largest business, shall be exempt from assessments on additional businesses within the District, and shall continue to pay required business license fees in accordance with Chapter 5.08 of the Municipal Code. Banks and financial institutions that are exempt from City business license regulations shall be assessed \$500 per year. Insurance agencies that are exempt from City business license regulations shall be assessed \$250 per year. Persons operating in one of the following types of businesses, as an independent contractor in an establishment owned by another person shall be exempt from this assessment: 1. Hair stylists; 2. Nail technicians; 3. Real estate agents.

Assessments shall be collected in one annual installment at the beginning of the fiscal year, and be pro-rated for new businesses that open during the fiscal year. The BID is considering recommending a more aggressive collection effort on delinquent member assessments.

5. Surplus Carryover from Fiscal Year 2013-2014

It is estimated that approximately \$66,800 will be carried over from FY 2013-2014 to FY 2014-2015.

6. Sources of Contributions from other than levy

In addition to the annual BID assessments to members, the BID assumes there will be the following additional funds contributed from the City of Newport Beach to BID programs and projects for the FY 2014-2015:

	<u>Service</u>	<u>Projects</u>
a. City "Matching Funds" or Standard Annual Contribution:	\$ 20,000	
b. Gateway Entry Project Construction: City budget (1)		350,000
c. BID Bookkeeping Services	22,500	
Total	\$ 42,500	\$350,000

(1) The BID has budgeted \$25,000 toward this project for FY 2014-2015.

Prior Year Accomplishments

The FY 2013-2014 was a relatively successful one for the District. The BID billed \$113,550 in member assessments and collected \$103,843, a 91% collection rate. The City also contributed \$40,000 as the first installment of a five-year commitment to support the BID.

The BID successfully began work or completed projects & programs, maintained existing programs and developed new projects within the CdM Village:

REVITALIZATION IMPROVEMENTS

Gateway Improvement (MacArthur & PCH) – Continued to work with City staff in proposing design alternatives for the proposed Gateway project. Funded lane drop tests and landscaping for the project (\$14,265). Communicated BID positions on Gateway project at 2014 Annual Meeting.

Parking Management Plan – Continued to work with City staff and attend public meetings on the CdM Village parking management plan. Delivered letter to City stating BID support of short term parking strategies as presented in the draft Parking Management Plan Report. Communicated BID positions on parking strategies at 2014 Annual Meeting.

Marguerite Project Design – Retained design architect to propose various beautification designs for the Marguerite/PCH intersection and other streets along PCH within the CdM Village (\$3,000). Communicated project designs to the CdM community at 2014 Annual Meeting.

"Bike the CdM Village" Bike Racks – Installed fifty new bike racks along PCH bearing the "Bike the CdM Village" logo (\$14,514).

MAINTENANCE

Sidewalk Steam Cleaning – Steam cleaned the sidewalks along PCH (\$4,300).

Street Furniture & Maintenance – Re-power coated thirty trash receptacles (\$7,441). Added one new trash receptacle in front of the candy shop (\$1,323).

Tree Wells // Landscaping- Continued with ongoing maintenance and beautification of tree wells (\$17,245).

MARKETING & MEMBER BENEFITS

Website redesign & update – Continued to work with the City and with Newport Beach & Co. on proposed redesign and modernization of the BID website going into FY 2014-15. This effort was partially funded by a \$10,000 grant from the City.

Business District Holiday Décor Program / Street Light Banner Program / Coast Hwy Dolphin Topiary Program / Christmas Walk – Continued long standing programs within the BID to promote beautification and commerce with the CdM Village (\$32,671).

Corona del Mar Business District Directory / Advertising Campaigns / Social Media & Online Marketing / Marketing Campaigns & Collateral (\$14,370).

OUTREACH

Annual Town Meeting / Beautification Award / Membership Decals – Continued outreach to the CdM Village community and BID members through the designated meetings and programs (\$2,026).

ADMINISTRATION

BID Administrator – Teamed with the City to issue RFP for new BID Administrator resulting in the hiring of Willdan Financial Services as the BID Administrator for FY 2013-14. Successfully worked through transition from existing to new administrator (\$45,500).

Toll free 888 phone number – Set up new 888 toll free number for the BID that allows callers to select from multiple extension connecting directly to BID administration, marketing, and accounting (\$494).

The members of the Corona del Mar Business Improvement District want to thank the City Council for its financial support and efforts on behalf of the BID.

The following is the Corona del Mar Business Improvement District proposed operating budget for the Fiscal Year July 1, 2014 to June 30, 2015.

Corona del Mar Business Improvement District
Source & Use of Funds Budget
Fiscal Year July 1, 2014 to June 30, 2015

Source of Funds	Budget
Member Assessment (net)	106,000.00
City Matching Funds	20,000.00
Carry over contribution from FY 2013-14	66,800.00
Total Sources of Funds	192,800.00

Use of Funds

Administration

Meeting facilities	3,600.00
Bank Charges	600.00
Toll Free Phone Line	500.00

Total Administrative	4,700.00
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Improvements

Gateway-MacArthur & PCH	25,000.00
Marguerite Project (1)	60,625.00

Total Improvements	85,625.00
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Maintenance

Backflow Valve	2,000.00
Landscape/Tree Wells	15,500.00
Street Furniture	4,000.00
Repairs/Contingencies	2,000.00

Total Maintenance	23,500.00
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Marketing

Print media	12,000.00
Website Maintenance/Development	15,000.00
Collateral/Brochures	1,600.00
Consulting (Reporting)	2,000.00
Directory	7,500.00
Christmas Walk	3,500.00
Dolphins	600.00
Banner Program	6,200.00
Holiday Décor	24,500.00

Total Marketing	72,900.00
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Outreach

Contributions (Sherman Gardens)	500.00
Annual Meeting	600.00
Beautification Award	575.00
Membership decals	1,200.00
Public Relations	
Marguerite Programs	2,000.00
Mailings	1,200.00

Total Outreach	6,075.00
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Total Uses of Funds	192,800.00
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FY 2014-2015 Economic Analysis of BID Benefit to City

The Corona del Mar Business Improvement District appreciates the City's ongoing support during FY 2014-2015 and would like to present the following economic benefit analysis to Council.

Improvements/Maintenance benefits to City paid through BID Assessments:

Improvements (Gateway; Marguerite Projects)	\$ 85,625
Maintenance to City property	<u>23,500</u>
Total Benefit to City	\$109,125

Financial and Services Support to BID paid by City:

City matching funds	\$ 20,000
BID Bookkeeping Services	<u>22,500</u>
Total Benefit to BID	\$ 42,500
Net Benefit to the City	\$ 66,625